GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:603
ANSWERED ON:06.02.2017
Steel Production
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Will the Minister of STEEL be pleased to state:

(a) whether the steel production and demand has declined during the last three years;
(b) if so, the details thereof and the reasons therefor along with the expected percentage growth of steel production and consumption during the current year;
(c) whether the steel imports declined and exports increased during the last year, if so, the details thereof and the reasons therefor;
(d) whether the steel industry and its associated mining and metallurgy sectors have got major investments during the last three years, if so, the details thereof; and
(e) the steps taken by the Government to boost steel production and consumption in the country?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a)&(b): No, Madam. There has not been any decline in the production and consumption of steel in the country during the last 3 years, as shown in the table below:

Year Crude Steel Production
Qty. (mt.) Percentage Growth Real consumption of Finished Steel
Real
Consumption
Qty. (mt.) Yearly % Increase in Real consumption
2013-14 81.69 4.3 74.09 0.8
2014-15 88.98 8.9 76.35 3.1
2015-16 89.77 0.9 80.44 4.5
April-Dec., 2015 66.52 59.54
April-Dec.,2016* 72.34 8.8 61.54 3.4
Source: Joint Plant Committee (JPC) : mt. = Million Tonnes * Provisional

(c) The imports had increased and export declined in the last year, as illustrated in the table below. However, after taking several trade remedial measures, such as minimum import price, introduction of BIS quality control, anti-dumping and safeguard duty, imports of steel have fallen 29.4% and exports increased by 80% during April − December, 2016 over the same period in the preceding year, providing space for the domestic industry to produce more for the market.

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Import and Export of Finished Steel in Million Tonnes
Year Import Export % Change in Import % Change in Export
2015-16(P) 11.71 4.08 25.7 -25.8
April − Dec. '15 7.78 2.76
April − Dec. '16* 5.49 4.97 -29.4 80.0
Source: JPC : Annual Statistics various years; *Provisional

(d) Steel being a deregulated sector, decisions regarding investment are taken by the individual steel producers, based on various factors, including commercial considerations and market dynamics. It may be mentioned that a total of 25 Million Tonnes of crude steel capacity has been added in the country during the period 2013-14 to 2015-16.

(e) In order to boost steel production and consumption in the country's steel industry, Government has taken a number of steps including Notification of Mines and Minerals (Development and Regulation) Amendment Act, increasing Customs Duty, imposition of Safe-guard duty and Anti-Dumping Duty on a number of steel products.

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